

General Assembly

Raised Bill No. 352

February Session, 2006

LCO No. 2035

*02035

Referred to Committee on Commerce

Introduced by: (CE)

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AN ACT REQUIRING ECONOMIC IMPACT STATEMENTS FOR CERTAIN BILLS CONSIDERED BY THE GENERAL ASSEMBLY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 2-24 of the general statutes is repealed and the 2 following is substituted in lieu thereof (*Effective October 1, 2006*):
- (a) The words "State of Connecticut" shall be printed at the head of each bill and document printed by order of the General Assembly, or either house thereof, and on its title page or cover, if any. Before printed or photographic copies of an original bill are made, the bill shall be endorsed with (1) the date of its introduction; (2) its number; (3) the name of the member or committee introducing it; and (4) the name of the committee to which it was referred. Copies of bills or 10 resolutions printed after favorable report by a committee or reprinted after amendment on the third reading, i.e., files, shall bear the file number of such bill or resolution, placed conspicuously at the head of the same, which file number shall be assigned by the printer in the order printed, the number and title of the bill, the name of the committee to which it was referred, the date and nature of the committee's report, and, in any case where the bill, if passed, would

- 17 require the expenditure of state or municipal funds or affect state or 18 municipal revenue, a fiscal note, including an estimate of the cost or of 19 the revenue impact, and an economic impact statement, including an 20 estimate of the cost, to the bill shall be appended thereto. When a bill or 21 resolution is accompanied with a report of a committee, other than a 22 recommendation that it ought or ought not to pass, it shall then have 23 an additional endorsement, as follows: "Accompanied by special 24 report, No.-". Bills shall be designated in the printed calendar of each 25 house by their file numbers, as well as by the titles and numbers of the 26 bills.
- 27 (b) The economic impact statement required under subsection (a) of 28 this section shall contain: (1) An estimate of the proposed change in 29 income and employment in the state; (2) the effects of the proposal on 30 existing business or industrial entities (3) an estimate of the total 31 employment and income resulting from a business if the proposal is 32 intended to induce a new business or industry to locate in the state; 33 and (4) a brief statement of assumptions and data sources used to 34 prepare the estimates or the reasons if no specific estimates are 35 possible.
- Sec. 2. Section 2-24a of the 2006 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):
- 39 (a) No bill without a fiscal note appended thereto which, if passed, 40 would require the expenditure of state or municipal funds or affect 41 state or municipal revenue in the current fiscal year or any of the next 42 ensuing five fiscal years shall be acted upon by either house of the 43 General Assembly unless said requirement of a fiscal note is dispensed 44 with by a vote of at least two-thirds of such house. Such fiscal note 45 shall clearly identify the cost and revenue impact to the state and 46 municipalities in the current fiscal year and in each of the next ensuing 47 five fiscal years.
 - (b) No bill without an economic impact statement appended to it

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- 50 <u>in this state shall be acted upon by either house of the General Assembly</u>
- 51 <u>unless the requirement of an economic impact statement is dispensed</u>
- 52 with by a vote of at least two-thirds of such house.
- Sec. 3. Subsection (c) of section 2-71c of the 2006 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):
- 56 (c) The legislative Office of Fiscal Analysis shall assist the General 57 Assembly and the Legislative Department, legislative commissions 58 and legislative committees in a research and advisory capacity as 59 follows: (1) Reviewing department and program operating budget 60 requests; (2) analyzing and helping to establish priorities with regard 61 to capital programs; (3) checking executive revenue estimates for 62 accuracy; (4) recommending potential untapped sources of revenue; (5) 63 assisting in legislative hearings and helping to schedule and prepare 64 the agenda of such hearings; (6) assisting in the development of means 65 by which budgeted programs can be periodically reviewed; (7) 66 preparing short analyses of the costs and long-range projections of 67 executive programs and proposed agency regulations; (8) keeping 68 track of federal aid programs to make sure that Connecticut is taking 69 full advantage of opportunities for assistance; (9) reviewing, on a 70 continuous basis, departmental budgets and programs; (10) analyzing 71 and preparing critiques of the Governor's proposed budget; (11) 72 studying, in depth, selected executive programs during the interim; 73 (12) performing such other services in the field of finance as may be 74 requested by the Joint Committee on Legislative Management; (13) 75 preparing the fiscal notes, required under section 2-24, as amended by 76 this act, upon favorably reported bills which require expenditure of 77 state or municipal funds or affect state or municipal revenue; (14) 78 preparing at the end of each fiscal year a compilation of all fiscal notes 79 on legislation and agency regulations taking effect in the next fiscal 80 year, including the total costs, savings and revenue effects estimated in 81 such notes; [and] (15) every second and fourth year after the effective

date of each enacted bill, review the fiscal note of such bill to compare it to the fiscal note prepared at the time such bill was enacted; and (16) preparing the economic impact statement required under section 2-24, as amended by this act, upon favorably reported bills which would impose a cost on businesses that have operations in this state. The governing body of any municipality, if requested, shall provide the Office of Fiscal Analysis, within two working days, with any information that may be necessary for analysis in preparation of such fiscal notes. Each officer, board, commission or department of the state government shall assist the Office of Fiscal Analysis in carrying out its duties and, if requested, shall make its records and accounts available to the office in a timely manner, except that where there are statutory requirements of confidentiality with regard to such records and accounts, the identity of any person to whom such records or accounts relate shall not be disclosed.

Sec. 4. Section 2-26 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

At each regular or special session of the General Assembly no bill shall be passed or become a law unless it has been printed in its final form, as prescribed by section 2-24, with the exception of germane amendments, and upon the desks of the members at least two legislative days prior to its final passage, unless the president pro tempore of the Senate and the speaker of the House of Representatives have certified, in writing, the facts which in their opinion necessitate an immediate vote on such bill, in which case it shall nevertheless be upon the desks of the members in final form, accompanied by the fiscal note and economic impact statement required by section 2-24, as amended by this act, when applicable, with the exception of germane amendments, but not necessarily printed, before its final passage.

This act shall take effect as follows and shall amend the following				
sections:				
Section 1	October 1, 2006	2-24		

Sec. 2	October 1, 2006	2-24a
Sec. 3	October 1, 2006	2-71c(c)
Sec. 4	October 1, 2006	2-26

Statement of Purpose:

To require economic impact statements for certain bills being considered by the General Assembly.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]